

DETAILED INFORMATION ON THE
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM ASSESSMENT

- View this program's assessment summary.
- Visit ExpectMore.gov to learn more about how Federal Government programs are assessed and their plans for improvement.
- Learn more about detailed assessments.

Program Code 10001059

Program Title Low Income Home Energy Assistance Program

Department Name Dept of Health & Human Service

Agency/Bureau Name Administration for Children and Families

Program Type(s) Block/Formula Grant

Assessment Year 2003

Assessment Rating Results Not Demonstrated

Assessment Section Scores

Section	Score
Program Purpose & Design	80%
Strategic Planning	25%
Program Management	78%
Program Results/Accountability	8%

Program Funding Level (in millions)

FY2007 \$2,161
FY2008 \$2,570
FY2009 \$2,000

- Ongoing Program Improvement Plans
- Completed Program Improvement Plans
- Program Performance Measures
- Questions/Answers (Detailed Assessment)

Ongoing Program Improvement Plans

Year Began	Improvement Plan	Status	Comments
2004	The Administration is working to develop long-term and efficiency measures.	Action taken, but not completed	Milestone: The Office of Community Services (OCS) will work with a small group of State grantees to explore long-term outcome measures options for LIHEAP. Milestone to be completed by November 2008.
2006	Improving performance-based budgeting.	Action taken, but not completed	Milestone: The Office of Community Services (OCS) will develop briefing materials about performance-based budgeting for OCS decision-makers. Milestone to be completed by November 2008.
2006	Providing states with the opportunity to increase non-federal funding through the LIHEAP Leveraging Incentive Program.	Action taken, but not completed	Milestone: The Office of Community Services (OCS) will review ways to increase awareness of States about the program and ways simplify the application process. Milestone to be completed by November 2008.

Completed Program Improvement Plans

Year Began	Improvement Plan	Status	Comments
2004	The Administration is working to develop long-term and efficiency measures. Milestone: OCS will be holding internal strategic planning meetings to develop initial long-term goals for OCS programs.	Completed	Milestone completed April 2007. New milestone has been added in separate item.
2004	The Administration is recommending \$500,000 for the Department of Health and Human Services (DHHS) to conduct a feasibility study of a nationally representative evaluation of Low Income Home Energy Assistance Program (LIHEAP) operations.	Completed	
2006	Providing states with the opportunity to increase non-federal funding through the Low Income Home Energy Assistance Program (LIHEAP) Leveraging Incentive Program. Milestone: The Office of Community Services (OCS) will prepare an annual ranking of the percentage change in states' LIHEAP leveraging resources from FY 2004 to FY 2005, and then identify the strategies for increasing	Completed	Milestone completed April 2007. New milestone has been added under separate item.

	leveraging resources used by the highest ranked states.		
2006	Improving performance-based budgeting. Milestone: Office of Community Services (OCS) will identify other block grant programs that have developed performance-based budgeting.	Completed	Milestone completed April 2007. New milestone has been added under separate item.
2004	The Administration is working to develop long-term and efficiency measures. Milestone: The Office of Community Services (OCS) will contact external program stakeholders, especially state LIHEAP grantees to develop long terms goals for LIHEAP.	Completed	To be completed by the end of December.
2006	Providing states with the opportunity to increase non-federal funding through the LIHEAP Leveraging Incentive Program. Milestone: Office of Community Services (OCS) will prepare an annual ranking of the percentage change in states' LIHEAP leveraging resources from FY 2005 to FY 2006, and then identify the strategies for increasing	Completed	

	leveraging resources used by the highest ranked states.	
2006	Improving performance-based budgeting. Milestone: The Office of Community Services (OCS) will identify LIHEAP-related, low income programs that have developed performance-based budgeting.	Completed

Program Performance Measures

Term	Type
Annual Outcome	<p>Measure: Increase the reciprocity targeting index score of LIHEAP recipient households having at least one member 60 years or older.</p> <p><i>Explanation:</i> The reciprocity targeting index quantifies the extent to which such households are receiving LIHEAP assistance. The index is computed by dividing the percent of LIHEAP recipient households that are members of a target group by the percent of all LIHEAP income eligible households that are members of the target group and then multiplying by 100. For example, if 25 percent of LIHEAP recipients are elderly households, and 20 percent of all income eligible households are elderly households, the reciprocity targeting index for elderly recipient households is 125 ($25/20 \times 100$). An index score above 100 indicates that LIHEAP is serving a target group of households at a rate higher than the prevalence of LIHEAP income eligible households that are members of that group.</p>

Year	Target	Actual
2001	Pre-baseline	78
2002	Pre-baseline	82
2003	Baseline	79
2004	82	78
2005	84	79
2006	92	74
2007	94	Aug-08
2008	96	Aug-09
2009	96	Aug-10
2010	96	Aug-11
2014	5% over FY07 actual	Aug-15

Annual Outcome **Measure:** Maintain the reciprocity targeting index score of LIHEAP recipient households having at least one member 5 years or younger.

Explanation: 11-4-05: Years 2001 and 2002 were pre-baseline. The reciprocity targeting index for a specific group of households is computed by comparing the percent of an eligible target group that received LIHEAP benefits to the percent of all eligible households that received LIHEAP benefits. A targeting index of 100 indicates that a group of LIHEAP eligible households were served at the same rate as all LIHEAP eligible households.

Year	Target	Actual
2001	Pre-baseline	115
2002	Pre-baseline	122
2003	Baseline	122
2004	122	115
2005	122	113
2006	122	115
2007	122	Aug-08
2008	122	Aug-09
2009	122	Aug-10
2010	122	Aug-11
2014	2% over FY07 actual	Aug-15

Annual Efficiency **Measure:** Increase the ratio of LIHEAP households assisted per \$100 of LIHEAP administrative costs.

Explanation:

Year	Target	Actual
2004	Baseline	3.67
2005	3.67	3.67
2006	3.74	3.04
2007	3.81	Aug-08

	2008	3.88	Aug-09
	2009	3.95	Aug-10
	2010	3.95	Aug-11

Long-term	Outcome	Measure: Increase the availability of Low-Income Home Energy Assistance Program (LIHEAP) fuel assistance to low income, vulnerable households, with at least one member that is an elderly individual or a young child by 5 percent and 2 percent respectively over the FY 2007 actual result, by FY 2014, as measured by the annual reciprocity targeting index.						
		<i>Explanation:</i>						
		<table><tr><th>Year</th><th>Target</th><th>Actual</th></tr><tr><td>2014</td><td>5%/2%</td><td>August 2015</td></tr></table>	Year	Target	Actual	2014	5%/2%	August 2015
Year	Target	Actual						
2014	5%/2%	August 2015						

Questions/Answers (Detailed Assessment)

Section 1 - Program Purpose & Design

Number	Question	Answer	Score
1.1	Is the program purpose clear? <p><i>Explanation:</i> The program assists low income households, particularly those with the lowest incomes, that pay a high proportion of household income for home energy, primarily in meeting their immediate home energy needs.</p> <p><i>Evidence:</i> Sections 2602(a) and 2603(4) of the LIHEAP statute (Title III, P.L. 105-285);</p>	YES	20%

	Conference Report accompanying S. 2000; House Report accompanying HR 4250		
1.2	<p>Does the program address a specific and existing problem, interest, or need?</p> <p><i>Explanation:</i> LIHEAP targets 2 groups: (1) high-energy burden households, which are households with the lowest incomes and highest home energy costs, and (2) vulnerable households, which consist of frail older individuals, individuals with disabilities, or very young children. Home energy burden for low income households is over four times that of non-low income households-- putting them in danger of safety hazards. Vulnerable households are at risk for health problems due to insufficient home heating or cooling.</p> <p><i>Evidence:</i> Section 2603(4) and 2605(b)(1)(A-C) of the LIHEAP statute; Senate Report 103-251 accompanying S. 2000; LIHEAP Home Energy Notebook (Figure 3, p.iii).</p>	YES	20%
1.3	<p>Is the program designed so that it is not redundant or duplicative of any Federal, state, local or private effort?</p> <p><i>Explanation:</i> LIHEAP is the only comprehensive national energy assistance program as it includes heating and cooling assistance, and energy crisis intervention. Grantees may use LIHEAP funds for low-cost residential weatherization and other energy-related home repair, similar to the DOE Weatherization</p>	YES	20%

Assistance Program (WAP). However, WAP doesn't serve tribes and territories directly.

Evidence: LIHEAP Committee on Managing for Results' workbook, 'Integrating Government-Funded and Ratepayer-Funded Low-Income Fuel Assistance Programs' (May 2002); "An Introduction to Electric Utility Restructuring" (Eisenberg, Sept 1997)

1.4

Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

NO

0%

Explanation: The current formula includes factors related to energy expenditures, low-income populations and climate and favors Northeast and Midwest states. The revised LIHEAP formula distributes funds according to each states' share of expenditures by low income households for home energy-- however it is implemented only when appropriations go above \$1.975 billion in a given year, which has occurred twice since it was established. The statute for this formula provides for "hold-harmless provisions", in which no grantee is to get less under the new formula than they received under the old formula with an appropriation of \$1.975 billion. The new formula gives more weight to warm weather, which means that Southern and Western states fair better when the new formula is activated than they do under the current.

Evidence: Conf. Report accompanying S. 2000 (103-251); House Report accompanying H.R. 4250; LIHEAP Reconsidered by Mark J. Kaiser and Allan G. Pulsipher, Center for Energy Studies, Louisiana State University

1.5	Is the program effectively targeted, so program resources reach intended beneficiaries and/or otherwise address the program's purpose directly?	YES	20%
-----	--	-----	-----

Explanation: LIHEAP's GPRA plan tracks and insures that resources reach intended beneficiaries; the measures specifically focus on targeting vulnerable and high energy burden households. In addition, the LIHEAP statute provides contingency funds which are targeted to those states, territories and tribes most affected by an emergency.

Evidence: GPRA Performance Plan; LIHEAP Report to Congress for FY 2001; History of LIHEAP Contingency Fund Distributions; Sec 2602(e) of the LIHEAP statute; Block Grant Regs

Section 1 - Program Purpose & Design	Score	80%
---	-------	-----

Section 2 - Strategic Planning

Number	Question	Answer	Score
--------	----------	--------	-------

2.1	Does the program have a limited number of specific long-term performance measures	NO	0%
-----	--	----	----

that focus on outcomes and meaningfully reflect the purpose of the program?

Explanation: The program has recently developed measures that are proxies for health and safety outcomes. These long-term measures focus on targeting assistance. The program has also identified other goals that are more difficult to measure, but are goals nonetheless. These include: (1) increasing energy affordability and (2) increasing efficiency of energy usage of low income households (measured by the Department of Energy).

Evidence: Sec. 2605(b) of the LIHEAP statute and LIHEAP IM96-02; LIHEAP Household Report; ACF GPRA Report

2.2

Does the program have ambitious targets and timeframes for its long-term measures?

NO 0%

Explanation: The LIHEAP program projects that the rate for LIHEAP eligible elderly households served will be at least equal to that of all LIHEAP eligible households by FY 2008, despite the inherent difficulties of serving this population. The program seeks to maintain the percentage of households served with young children. Because these measures are relatively new and a trend has not yet been established, it cannot yet be determined if these measures are ambitious.

Evidence: ACF GPRA Reports

2.3	Does the program have a limited number of specific annual performance measures that demonstrate progress toward achieving the program's long-term measures?	YES	12%
-----	--	-----	-----

Explanation: OCS has developed targeting indexes for households with elderly and young children as annual performance measures. Targeting indexes are not calculated for households with a disabled member as States define disability differently. As aforementioned, these goals are relatively new and show some progress toward achieving the long term goals.

Evidence: ACF's LIHEAP GPRA report for targeting index data; FY 2001 LIHEAP Home Energy Notebook

2.4	Does the program have baselines and ambitious targets and timeframes for its annual measures?	NO	0%
-----	--	----	----

Explanation: Baseline data are available on targeting indexes for low income elderly and young children households. The target is to increase by 2 index points annually the rate for low income eligible elderly households receiving heating assistance by FY 2008. Because these measures are relatively new and a trend has not yet been established, it cannot yet be determined if these measures are ambitious.

<i>Evidence:</i> ACF's LIHEAP GPRA report for targeting index data.			
2.5	<p>Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, etc.) commit to and work toward the annual and/or long-term goals of the program?</p> <p><i>Explanation:</i> Most states have not developed long-term goals for their programs, nor are they required to do so under the block grant structure. However, each State files an annual LIHEAP program plan that documents how the state will meet the unique needs of its low-income households. States must conduct outreach activities and can give priority to households with highest home energy needs. In addition, OCS established the LIHEAP Managing for Results Committee in 1998 which is composed mostly of state LIHEAP directors and seeks to support performance measurement and evaluation efforts.</p> <p><i>Evidence:</i> LIHEAP Model Plan and Assurances; Charter of LIHEAP Managing for Results Committee; LIHEAP Household Report; Section 2605 (b) of the LIHEAP statute.</p>	YES	12%
2.6	<p>Are independent and quality evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate</p>	NO	0%

effectiveness and relevance to the problem, interest, or need?

Explanation: There has been no national studies conducted to evaluate program effectiveness and improvement. An evaluation is being planned concerning the targeting of high energy burden households.

Evidence: LIHEAP Home Energy Notebook for FY 2001. LIHEAP Report to Congress for FY 2001. ACF's GPRA report

2.7

Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

NO 0%

Explanation: The program's budget is not performance-based. OCS has developed estimates of the amount of fuel assistance funding needed to reduce the home energy burden for all low income households to 10% and 5% of household income. However, the additional funding needed in reducing home energy burden to a certain level would require that the program be changed from a block grant to an entitlement program.

Evidence: LIHEAP Home Energy Notebook for FY 2001

2.8	<p>Has the program taken meaningful steps to correct its strategic planning deficiencies?</p> <p><i>Explanation:</i> The Office of Community Services (OCS) is undergoing a restructuring process to better address the needs of all OCS programs, including LIHEAP. It is projected that this process will help eliminate duplication and redirect limited resources, in order to set ambitious program results, however the plan has not yet been implemented and it is not clear how LIHEAP-specific planning deficiencies will be addressed.</p> <p><i>Evidence:</i> OCS Restructuring Plan (to be published in the Federal Register)</p>	NO	0%
Section 2 - Strategic Planning		Score	25%
Section 3 - Program Management			
Number	Question	Answer	Score
3.1	<p>Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?</p> <p><i>Explanation:</i> OCS collects annual performance data from grantees and a sample of LIHEAP recipients through the Current Population Survey and the Residential Energy Consumption Survey. OCS analyzes the targeting indexes for vulnerable households by Census division to identify those areas where eligible vulnerable</p>	YES	11%

households are underserved. For those underserved locations, OCS concentrates LIHEAP outreach efforts by coordinating with local programs funded by Head Start, the Administration on Developmental Disabilities and the Administration on Aging.

Evidence: LIHEAP Report to Congress for FY 2001; LIHEAP Energy Notebook for FY 2001; LIHEAP Household Report; LIHEAP Grantee Survey; OCS Restructuring Plan (to be published in the Federal Register)

3.2

Are Federal managers and program partners (grantees, subgrantees, contractors, cost-sharing partners, etc.) held accountable for cost, schedule and performance results?

YES 11%

Explanation: Federal managers are held accountable through annual work plans and individual performance plans. LIHEAP grantees are held accountable for program performance through annual financial audits, State Plan Assurances, reports on performance data, and on administrative cost limits.

Evidence: ACF Manager Work Plans; ACF Employee Performance Management System (EPMS); Single Audit Act; LIHEAP Report to Congress for FY 2001; Section 2605(b) of the LIHEAP statute

3.3	<p>Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?</p> <p><i>Explanation:</i> Once LIHEAP grantee plans are completed, and federal funds are available, grant awards are issued immediately. States receive quarterly allocations of their annual allotments. States must obligate at least 90% of their fiscal year allocation before the end of that fiscal year on 9/30, and may carryover no more than 10% into the following fiscal year.</p> <p><i>Evidence:</i> LIHEAP statute: Section 2607; Regs: CFR 96.81; Carryover and Reallotment Report; Quarterly Estimate Report, ACF-535; SF 269-A, Financial Status Report</p>	YES	11%
3.4	<p>Does the program have procedures (e.g., competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?</p> <p><i>Explanation:</i> An efficiency is under development. Currently, the program has incentives to improve cost effectiveness. The LIHEAP leveraging incentive program awards grantees that have acquired additional non-Federal energy assistance resources to expand the effect of the Federal LIHEAP dollars. For example, grantees can report the following activities as countable resources under this program: home energy discounts or waivers; forgiveness of energy arrearages; waiver of utility connection</p>	NO	0%

fees and donated weatherization materials. Finally, OCS is developing an integrated MIS system to increase the availability of data on-line and streamline reporting activities. These IT improvements will provide an efficient and effective use of automation to meet program goals and objectives.

Evidence: LIHEAP Report to Congress for FY 2001. State electronic reporting templates for LIHEAP Household Report and LIHEAP Grantee Survey. OCS MIS as part of OCS Restructuring Plan (to be published in the Federal Register)

3.5

Does the program collaborate and coordinate effectively with related programs?

YES 11%

Explanation: LIHEAP coordinates with DOE's Weatherization Program to allow flexibility for LIHEAP grantees to use DOE, LIHEAP or a combination of each program's rules. OCS' LIHEAP Managing for Results Committee is a partnership among states, the National Energy Assistance Directors' Association and other entities; OCS also partners with Head Start, Administration on Aging and Administration on Developmental Disabilities. States are required to coordinate under statutory assurances.

Evidence: LIHEAP Weatherization Information Memorandum; LIHEAP Leveraging Incentive Information Memorandum; Section 2605(b)(4)

	of the LIHEAP statute; Charter of LIHEAP Managing for Results Committee.		
3.6	<p>Does the program use strong financial management practices?</p> <p><i>Explanation:</i> States must comply with the Single Audit Act requirements. States must submit a financial status report each year on how LIHEAP funds are used. Grantees are required to have provisions in place to prevent waste, fraud and abuse, and have systems to track the accounting of funds.</p> <p><i>Evidence:</i> OMB Circular A-128; Section 2605(b)(10) of the LIHEAP Statute; Block Grant Regs: 96.87; 96.30; SF 269-A, Financial Status Report</p>	YES	11%
3.7	<p>Has the program taken meaningful steps to address its management deficiencies?</p> <p><i>Explanation:</i> OCS is undergoing a restructuring process to ensure that management resources are in place to meet the needs of the administration and grantees, however it has not yet been implemented. Specific program effects on LIHEAP management deficiencies are not yet known.</p> <p><i>Evidence:</i> OCS restructuring plan (to be published in the Federal Register)</p>	NO	0%

3.BF1	<p>Does the program have oversight practices that provide sufficient knowledge of grantee activities?</p> <p><i>Explanation:</i> An annual review of grantees' LIHEAP plan applications is conducted to determine program completeness, with a check to determine compliance with the LIHEAP statute. LIHEAP program staff conduct compliance reviews of states and, in turn, states monitor local agency compliance with the law.</p> <p><i>Evidence:</i> Annual state LIHEAP plans, Section 2605 of the LIHEAP statute; OCS/LIHEAP Compliance Review Monitoring Instrument</p>	YES	11%
3.BF2	<p>Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?</p> <p><i>Explanation:</i> The program collects detailed LIHEAP caseload and fiscal data from grantees and makes the data available through the the LIHEAP Report to Congress (the public can attain the executive summary on the website and request the full report). The LIHEAP Clearinghouse Website provides detailed program characteristics and state plans, however performance data is not available due to limited resources.</p> <p><i>Evidence:</i> LIHEAP Report to Congress for FY 2001; LIHEAP Household Report; LIHEAP Grantee Survey;</p>	YES	11%

www.acf.dhhs.gov/programs/liheap/execsum.htm (Annual Report); www.ncat.org/liheap/ (Other data)

Section 3 - Program Management

Score 78%

Section 4 - Program Results/Accountability

Number	Question	Answer	Score
4.1	<p>Has the program demonstrated adequate progress in achieving its long-term outcome performance goals?</p> <p><i>Explanation:</i> Long-term performance goals are being developed. Trend data shows that the net effect of LIHEAP assistance has been to move low income household heating burdens closer to that of all households. Findings suggest that households with low incomes and high energy costs are receiving help from LIHEAP.</p> <p><i>Evidence:</i> LIHEAP Report to Congress for FY 2001. LIHEAP Energy Notebook for FY 2001</p>	NO	0%
4.2	<p>Does the program (including program partners) achieve its annual performance goals?</p> <p><i>Explanation:</i> Baseline data have been collected on the targeting of LIHEAP assistance to vulnerable households. However, the program has recently established new targets for its annual performance measures. FY04 will be the</p>	NO	0%

first year they will receive data that reveals the impact of new outreach efforts.

Evidence: LIHEAP GPRA Reports; Report: "Accountability for Block Grants" issued to President's Council on Integrity and Efficiency (Feb 2002)

4.3	Does the program demonstrate improved efficiencies or cost effectiveness in achieving program performance goals each year?	SMALL EXTENT	8%
<p><i>Explanation:</i> LIHEAP does not measure cost-effectiveness. However, leveraging funds are awarded to LIHEAP grantees that use their own or other non-federal resources to expand effect of Federal LIHEAP dollars. In FY 2002, \$27.5 million was earmarked for leverage incentive grant awards. In addition, OCS is undergoing a restructuring process that is designed to better serve the administration and grantees.</p> <p><i>Evidence:</i> OCS restructuring (TBA Fed Register); LIHEAP IM-2002-14</p>			
4.4	Does the performance of this program compare favorably to other programs, including government, private, etc., that have similar purpose and goals?	NA	0%
<p><i>Explanation:</i> There are no similar national programs that provide comprehensive energy assistance services.</p>			

	<i>Evidence:</i> Oak Ridge Report: "Weatherization Works: Final Report of the National Weatherization Evaluation" (Sept 94)		
4.5	<p>Do independent and quality evaluations of this program indicate that the program is effective and achieving results?</p> <p><i>Explanation:</i> No national performance evaluations have been conducted.</p> <p><i>Evidence:</i> GPRA Reports</p>	NO	0%
Section 4 - Program Results/Accountability		Score	8%

- View this program's assessment summary.
- Visit ExpectMore.gov to learn more about program assessment and improvement by the Federal Government.
- Learn more about detailed assessments.